

Article - Public Utilities

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§7-520.

(a) In this part the following words have the meanings indicated.

(b) “Assignee” means any individual, corporation, or other legally recognized entity to which an electric company transfers all or a portion of its interest in rate stabilization property, other than as security, including any assignee of that party.

(c) (1) “Financing party” means a holder of rate stabilization bonds.

(2) “Financing party” includes a trustee, collateral agent, and any other person acting for the benefit of the holder.

(d) “Qualified rate order” means an order of the Commission approving one or more qualified rate stabilization charges.

(e) “Qualified rate stabilization charge” means that portion of a usage-based nonbypassable rate, charge, or similar appropriate mechanism for the provision, availability, or termination of electric service, approved in connection with a rate stabilization plan in accordance with § 7-522 or § 7-548 of this subtitle, that a qualified rate order of the Commission authorizes to be imposed for the recovery of rate stabilization costs.

(f) “Rate stabilization bond” means a bond, debenture, note, certificate of participation or beneficial interest, or other evidence of indebtedness or ownership that:

(1) is authorized in a qualified rate order and issued under an executed trust indenture or other agreement of an electric company or assignee; and

(2) is secured by, evidences an ownership interest in, or is payable from rate stabilization property.

(g) (1) “Rate stabilization cost” means a cost, liability, or investment that an electric company incurs or will incur under a rate stabilization plan approved by the Commission.

(2) “Rate stabilization cost” includes:

(i) the excess of the contracted price incurred by an electric company for the purchase of energy supplies to be required for retail customers to whom it provides standard offer service, over the amounts that it is authorized to charge currently to those customers under the rate stabilization plan;

(ii) the approved costs of issuing, supporting, and servicing rate stabilization bonds; and

(iii) any approved costs for retiring and refunding existing debt and equity securities of the electric company issued to temporarily finance those rate stabilization costs.

(h) “Rate stabilization plan” means a plan approved by the Commission in accordance with this part.

(i) (1) “Rate stabilization property” means the right, title, and interest of an electric company or assignee in a qualified rate order.

(2) “Rate stabilization property” includes:

(i) all rights in, to, and under a qualified rate order, including the right to impose and collect rate stabilization charges and rights to revenues, collections, claims, payments, money, or other property and amounts arising from the imposition of rate stabilization charges under the qualified rate order; and

(ii) in the hands of an assignee, the right to require the electric company to provide electric services and to collect and remit the qualified rate stabilization charges authorized in the qualified rate order, but not the right or duty to provide electric services.

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